



General Assembly

January Session, 2001

***Raised Bill No. 1179***

LCO No. 3266

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

***AN ACT CONCERNING THE PAYMENT-IN-LIEU OF TAXES FOR  
CERTAIN GOVERNMENTAL REAL PROPERTY AND FOR PRIVATE  
COLLEGES AND GENERAL HOSPITALS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-19b of the general statutes is repealed and the  
2 following is substituted in lieu thereof:

3 Not later than April first in any assessment year, any town or  
4 borough to which a grant is payable under the provisions of section 12-  
5 19a shall provide the Secretary of the Office of Policy and Management  
6 with the assessed valuation of the [state-owned land and buildings and  
7 the assessed valuation of the municipally owned airport] real property  
8 eligible therefor as of the first day of October immediately preceding,  
9 adjusted in accordance with any gradual increase in or deferment of  
10 assessed values of real property implemented in accordance with  
11 section 12-62c or subsection (e) of section 12-62a, which is required for  
12 computation of such grant. Any town which neglects to transmit to the  
13 [Secretary of the Office of Policy and Management] secretary the  
14 assessed valuation as required by this section shall forfeit two hundred  
15 fifty dollars to the state, provided the secretary may waive such

16 forfeiture in accordance with procedures and standards adopted by  
17 regulation in accordance with chapter 54. Said secretary may on or  
18 before the first day of August of the state fiscal year in which such  
19 grant is payable, reevaluate any such property when, in his judgment,  
20 the valuation is inaccurate and shall notify such town of such  
21 reevaluation, provided such notice shall be sent by certified or  
22 registered mail. Any town or borough aggrieved by the action of the  
23 secretary under the provisions of this section may, not later than ten  
24 business days following receipt of such notice, appeal to the secretary  
25 for a hearing concerning such reevaluation. Such appeal shall be in  
26 writing and shall include a statement as to the reasons for such appeal.  
27 The secretary shall, not later than ten business days following receipt  
28 of such appeal, grant or deny such hearing by notification in writing,  
29 including in the event of a denial, a statement as to the reasons for  
30 such denial. Such notification shall be sent by certified or registered  
31 mail. If any town or borough is aggrieved by the action of the secretary  
32 following such hearing or in denying any such hearing, the town or  
33 borough may [within two weeks of] not later than ten business days  
34 after receiving such notice, appeal to the superior court for the judicial  
35 district wherein such town is located. Any such appeal shall be  
36 privileged.

37 Sec. 2. Section 12-19c of the general statutes is repealed and the  
38 following is substituted in lieu thereof:

39 The Secretary of the Office of Policy and Management shall, not  
40 later than September first, certify to the Comptroller the amount due  
41 each town or borough under the provisions of section 12-19a, or under  
42 any recomputation occurring prior to said September first which may  
43 be effected as the result of the provisions of section 12-19b, and the  
44 Comptroller shall draw [his] an order on the Treasurer on or before the  
45 fifteenth day of September following and the Treasurer shall pay the  
46 amount thereof to such town on or before the thirtieth day of  
47 September following. If any recomputation is effected as the result of  
48 the provisions of section 12-19b on or after the [September] April first

49 following the date on which the town has provided the assessed  
50 valuation in question, any adjustments to the amount due to any town  
51 for the period for which such adjustments were made shall be made in  
52 the next payment the Treasurer shall make to such town pursuant to  
53 this section.

54 Sec. 3. Section 12-20a of the general statutes is repealed and the  
55 following is substituted in lieu thereof:

56 [On or before January first, annually, the] (1) The Secretary of the  
57 Office of Policy and Management shall determine the amount due to  
58 each municipality in the state, in accordance with this section, as a  
59 state grant in lieu of taxes with respect to real property exempt from  
60 taxation under any of the subdivisions of section 12-81 that is owned  
61 by [any] and used as a private nonprofit institution of higher  
62 [education] learning or any nonprofit general hospital facility or free  
63 standing chronic disease hospital or an urgent care facility that  
64 operates for at least twelve hours a day and that had been the location  
65 of a nonprofit general hospital for at least a portion of calendar year  
66 1996 to receive payments in lieu of taxes for such property, exclusive of  
67 any such facility operated by the federal government or the state of  
68 Connecticut or any subdivision thereof. [As used in this section  
69 "private nonprofit institution of higher education" means any such  
70 institution engaged primarily in education beyond the high school  
71 level, the property of which is exempt from property tax under any of  
72 the subdivisions of section 12-81; "nonprofit general hospital facility"  
73 means any such facility which is used primarily for the purpose of  
74 general medical care and treatment, exclusive of any hospital facility  
75 used primarily for the care and treatment of special types of disease or  
76 physical or mental conditions; and "free standing chronic disease  
77 hospital" means a facility which provides for the care and treatment of  
78 chronic diseases, excluding any such facility having an ownership  
79 affiliation with and operated in the same location as a chronic and  
80 convalescent nursing home.]

81 (2) The grant payable to any municipality under the provisions of  
 82 this section in the state fiscal year commencing July 1, 1999, and in  
 83 each fiscal year thereafter, shall be equal to seventy-seven per cent of  
 84 the property taxes which, except for any exemption applicable to any  
 85 such institution of higher [education] learning or general hospital  
 86 facility under the provisions of section 12-81, would have been paid  
 87 with respect to such exempt real property on the assessment list in  
 88 such municipality for the assessment date two years prior to the  
 89 commencement of the state fiscal year in which such grant is payable.  
 90 The amount of the grant payable to each municipality in any year in  
 91 accordance with this section shall be reduced proportionately in the  
 92 event that the total of such grants in such year exceeds the amount  
 93 appropriated for the purposes of this section with respect to such year.

94 (3) As used in this section and section 12-20b the word  
 95 "municipality" means any town, consolidated town and city,  
 96 consolidated town and borough, borough, district, as defined in  
 97 section 7-324, and any city not consolidated with a town; "institution of  
 98 higher learning" means any such institution, as defined in subsection  
 99 (a) of section 10a-34, which offers courses of instruction in education  
 100 beyond the high school level for which college or university-level  
 101 credit may be given or may be received by transfer; "general hospital  
 102 facility" means any such facility which is used primarily for the  
 103 purpose of general medical care and treatment, exclusive of any  
 104 hospital facility used primarily for the care and treatment of special  
 105 types of disease or physical or mental conditions; and "free standing  
 106 chronic disease hospital" means a facility which provides for the care  
 107 and treatment of chronic diseases, excluding any such facility having  
 108 an ownership affiliation with and operated in the same location as a  
 109 chronic and convalescent nursing home.

110 Sec. 4. This act shall take effect July 1, 2001, and shall be applicable  
 111 to the assessment year commencing October 1, 2000, and each  
 112 subsequent assessment year.

***Statement of Purpose:***

To clarify provisions related to municipal appeals of the Office of Policy and Management's reevaluation of the assessed valuation of certain real property eligible for a grant-in-lieu of taxes, to clearly define the types of colleges and universities for which a state grant-in-lieu of taxes is remitted by the state of Connecticut and to make various technical corrections to related statutes.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*